



CREDIT FOR REHABILITATION OF HISTORIC PROPERTIES WORKSHEET FOR PROPERTY PLACED IN SERVICE DURING TAX YEAR BEGINNING IN 2009 36 MRSA §§ 5219-BB & 5219-R(1)

**NOTE: A separate worksheet must be completed for each certified rehabilitation.
Read the instructions before completing this worksheet.**

TAXPAYER NAME: _____ EIN/SSN: _____

Enter beginning and ending dates of tax year to which this worksheet relates: _____

Note: Owners of pass-through entities (partnerships, LLCs, S corporations, trusts, etc.) having qualified rehabilitation expenditures, see instructions. Also, please provide name and ID number of the pass-through entity on the lines below.

NAME OF PASS-THROUGH ENTITY

EIN/SSN

Check the boxes that apply:

- A. ☐ Check if credit is for a rehabilitation for which a federal credit is claimed. Attach a copy of Part 3 of the Historic Preservation Certification Application approved and signed by the National Park Service. If you do not have a signed Part 3, submit a copy of Part 2 approved by the National Park Service. Also, attach a copy of federal Form 3468.
- B. ☐ Check if credit is for a small rehabilitation (qualified expenditures \$50,000 to \$250,000) for which **no** federal credit is claimed. Attach a copy of Part 3 of the small project rehabilitation certification application approved and signed by the Maine Historic Preservation Commission. If you do not have a signed Part 3, submit a copy of Part 2 approved by the Maine Historic Preservation Commission.

NOTE: If either box A or box B is checked, attach a copy of the reporting form(s) (both Parts A and B) signed by the Maine Historic Preservation Commission. If you have not received a signed Part 3 from either the National Park Service or the Maine Historic Preservation Commission (whichever applies), but you have received a signed Part 2, attach a copy of Part A of the Reporting Form. You do not qualify for the credit unless the appropriate copies are attached.

- C. ☐ Check if credit is for a rehabilitation for which an Affordable Housing Certificate has been received from the Maine State Housing Authority. Attach copy of certificate.

PART A: Refundable Credit for Rehabilitation of Historic Properties - 36 MRSA § 5219-BB - for certified qualified rehabilitation expenditures incurred after 2007 with respect to a certified historic structure placed in service in Maine during the tax year beginning in 2009.

1. Certified qualified rehabilitation expenditures incurred after 2007. Read General and Specific Instructions before completing this line.

If box A above is checked, enter the amount of Maine certified qualified rehabilitation expenditures (see general instructions for definition) included in the basis for calculating the credit on federal Form 3468 line 10j or line 10m. Attach a copy of federal Form 3468 and/or Form 1065-B, Schedule K-1.

If box B is checked, enter the amount of Maine certified qualified rehabilitation expenditures incurred after 2007 associated with the certified rehabilitation.....1. _____

2. Enter credit percentage. If box C above is checked, enter .30. Otherwise, enter .252. .25

3. Credit prior to limitations. Multiply line 1 by line 2. Enter result here.....3. _____

4. Maximum credit for this certified rehabilitation4. \$5,000,000

5. Enter line 3 or line 4, whichever is less.5. _____

6. Refundable credit available for this tax year for this certified rehabilitation. Multiply line 5 by 25% (.25). Enter result here and on Form 1120ME, line 8e; Form 1120B, line 4e; Form 1040ME, line 28a; or Form 1041ME, line 7a.....6. _____

7. Amount of refundable credit available for this certified rehabilitation for the next 3 tax years:

2nd tax year: Enter 25% (.25) of line 5 7a. _____

3rd tax year: Enter 25% (.25) of line 5 7b. _____

4th tax year: Enter 25% (.25) of line 5 7c. _____

PART B: Nonrefundable Credit for Rehabilitation of Historic Properties - 36 MRSA § 5219-R(1) - for certain credit carryforward amounts and certified qualified rehabilitation expenditures incurred prior to 2008 with respect to a certified historic structure placed in service in Maine during the tax year beginning in 2009.

Note: Box A above must be checked in order to qualify for the nonrefundable credit.

1. Enter the total of the credit amounts from federal Form 3468, lines 10j and 10m that relates to certified qualified rehabilitation expenditures incurred prior to 2008 with respect to a certified historic structure placed in service in Maine during the tax year beginning in 2009. Attach a copy of federal Form 3468 and/or Form 1065-B, Schedule K-1..... 1. _____
2. Enter the amount from federal Form 3800, line 6 carried forward to the tax year that relates to a certified historic structure located in Maine, excluding any credit amount from passive activities previously claimed for Maine purposes. Attach schedule showing the calculation of the allowable carryforward amount. In the case of a carryforward amount, the structure must have been placed in service prior to 2008 and must have qualified for the credit under 36 MRSA § 5219-R(1) 2. _____
3. Add lines 1 and 2 and enter the total here..... 3. _____
4. Credit limitation 4. \$100,000
5. Enter the lesser of line 3 or line 4. Also, enter this amount on Form 1120ME, Schedule C, line 29m; Form 1120B, line 4e; or Form 1040ME, Schedule A, line 18 5. _____

CARRYFORWARD OR CARRYBACK OF EXCESS CREDIT AMOUNTS ARE NOT ALLOWED

PART C: Maine recapture of Credit for Rehabilitation of Historic Properties.

1. Complete a pro forma federal Form 4255 with respect to Maine certified historic structures subject to federal recapture (or that would have been subject to recapture had a federal credit been claimed) during the taxable year. However, do not complete lines 1 and 2 of federal Form 4255, enter on line 3 for each column the original Maine credit claimed. Then complete lines 4-13 following the federal instructions for each line. Enter the line 13 amount here and on Form 1120ME, line 7b or Form 1040ME, Schedule A, line 1 1. _____

ATTACH A COPY OF PRO FORMA FEDERAL FORM 4255

**CREDIT FOR REHABILITATION OF HISTORIC PROPERTIES
WORKSHEET FOR PROPERTY PLACED IN SERVICE
DURING TAX YEAR BEGINNING IN 2009**

A separate worksheet must be completed for each certified rehabilitation.

GENERAL INSTRUCTIONS

This worksheet may be used only for qualified rehabilitation expenditures associated with a certified historic structure located in Maine that is placed in service during the tax year beginning in 2009 and for certain credit carryforward amounts from prior years. The credit related to qualified rehabilitation expenditures incurred after December 31, 2007 is *fully refundable* over four years. The credit related to qualified rehabilitation expenditures incurred prior to January 1, 2008 is *not refundable*, but limited to the tax liability of the taxpayer up to \$100,000.

Certified Qualified Rehabilitation Expenditure:

Refundable Credit (Part A). For purposes of the *refundable credit*, the term **certified qualified rehabilitation expenditures** are qualified rehabilitation expenditures, as defined by the IRC, § 47(c)(2), made between January 1, 2008 and December 31, 2013. For small rehabilitations (box B on page 1 is checked), qualified rehabilitation expenditures do not include a requirement that the certified historic structure be substantially rehabilitated.

Nonrefundable Credit (Part B). For purposes of the *nonrefundable credit*, the term **certified qualified rehabilitation expenditure** means a qualified rehabilitation expenditure, as defined by IRC § 47(c)(2), made prior to January 1, 2008 and used in the rehabilitation of a certified historic structure located in Maine, placed in service after 2008.

Certified Historic Structure:

Refundable Credit (Part A). For purposes of the *refundable credit*, a **certified historic structure** is a structure certified by either the Maine Historic Preservation Commission or the National Park Service, whichever is applicable. A **certified historic structure** is a building (and its structural components) that is: 1) individually listed in the National Register of Historic Places; or 2) located in a Registered Historic District and certified by either the Secretary of the Interior or the Maine Historic Preservation Commission as being of historic significance to the district. If a federal credit is being claimed with respect to the historic structure, only the Secretary of the Interior may certify the structure as being of historic significance to a Registered Historic District. Otherwise, the Maine Historic Preservation Commission must certify that the structure is of historic significance to a Registered Historic District.

Nonrefundable Credit (Part B). For purposes of the *nonrefundable credit*, a **certified historic structure** is a structure located in Maine, placed in service after 2008, and that meets the requirements of IRC § 47(c)(3). Thus, qualified rehabilitation expenditures incurred prior to 2008 will not qualify for the nonrefundable credit if the historic structure does not meet this definition. However, if the historic structure is a certified historic structure for purposes of the refundable credit, the taxpayer may be eligible for the refundable credit with respect to certified qualified rehabilitation expenditures incurred after 2007.

Credit Amount:

Refundable Credit (Part A). With respect to each certified rehabilitation, the refundable credit is equal to one of the following:

1) Federal credit claimed. If a federal credit is claimed under § 47 of the Internal Revenue Code for the certified rehabilitation, the Maine credit is 25% of the certified qualified rehabilitation expenditures (30% if the rehabilitation is certified as an affordable housing project by the Maine State Housing Authority*). The Maine credit must be claimed in the same tax year as the federal credit.

2) Small project credit; federal credit not claimed. If a federal credit is not claimed for the certified rehabilitation and the amount of certified qualified rehabilitation expenditures is at least \$50,000 and not more than \$250,000, the Maine credit is 25% of the certified qualified rehabilitation expenditures that would have qualified for the federal credit under IRC § 47 if a federal credit had been claimed. The credit must be claimed in the year the certified rehabilitation is placed in service. The credit rate is 30% if the certified rehabilitation is also certified as an affordable housing project by the Maine State Housing Authority.* For purposes of the small project credit for which no federal credit is claimed, it is not required that the certified historic structure be substantially rehabilitated.

* A certified affordable housing project that does not remain an affordable housing project for 30 years from the date the property is placed in service is subject to the repayment provisions of 30-A MRSA § 4722(1)(DD).

Nonrefundable Credit (Part B). The nonrefundable credit is equal to that portion of the federal rehabilitation credit associated with the certified qualified rehabilitation expenditures incurred prior to January 1, 2008. The nonrefundable credit is limited to the taxpayer's tax liability up to \$100,000.

SPECIFIC LINE INSTRUCTIONS

Enter the taxpayer name and social security number ("SSN") or employer identification number ("EIN"). Also enter the beginning and ending dates of the tax year to which the credit worksheet relates.

In the case of pass-through entities (partnerships, LLCs, S corporations, trusts, etc.), the partners, members, shareholders, beneficiaries, etc., are allowed a credit either in proportion to their respective interests in the entity or according to an alternate documented agreement. Attach a copy of the agreement and a schedule showing the credit generated by the pass-through entity and the assignment/distribution to each partner, shareholder, beneficiary, etc. Include the name, address, and federal ID number of the pass-through entity and the name and SSN/EIN of each partner, shareholder, beneficiary, etc.

Check the boxes that apply on lines A, B and C. Check box B only if a federal credit is not claimed with respect to the certified rehabilitation and the amount of certified qualified rehabilitation expenditures is at least \$50,000 but not more than \$250,000. If box B is checked and you do not have an approved small project rehabilitation certification application from the Maine Historic Preservation Commission, attach an explanation as to why the certified rehabilitation has not been approved.

Note: If box A is checked and the federal credit is subsequently amended, the Maine credit must also be amended. If box B is checked and the final certification is later denied by the Maine Historic Preservation Commission, the Maine credit is disallowed for any tax year in which it is claimed, and, if necessary, an amended Maine return must be filed.

Part A: Refundable Credit (36 MRSA § 5219-BB)

Complete Part A only for certified qualified rehabilitation expenses incurred after 2007 with respect to a certified historic structure placed in service in Maine during the tax year beginning in 2009. Certified qualified rehabilitation expenditures incurred prior to 2008 may qualify for the nonrefundable credit under Part B.

Line 1. Enter on this line only certified qualified rehabilitation expenditures incurred after 2007 with respect to a certified historic structure placed in service in Maine during the tax year beginning in 2009. If a federal credit is being claimed with respect to the certified qualified rehabilitation expenditures (box A is checked), enter that portion of the basis used to calculate the credit on federal Form 3468, line 10j and/or line 10m that are certified qualified rehabilitation expenditures for Maine purposes. If a federal credit is not being claimed with respect to the certified qualified rehabilitation expenditures and box B is checked, enter the certified qualified rehabilitation expenditures incurred after 2007 that would have been considered qualified rehabilitation expenditures under IRC § 47(c)(2) had a federal credit been claimed.

Line 4. The refundable credit is limited to \$5,000,000 per certified rehabilitation. The credit amount on line 3 in excess of \$5,000,000 may not be carried back or forward to any other tax year.

Lines 6 & 7. The credit amount on line 5 is refundable over 4 years, beginning with the tax year the credit amount is calculated. Save copies of the worksheet to submit with your returns for the subsequent tax years. If you have more than one certified rehabilitation, a separate worksheet must be completed for each and the amounts on line 6 must be added together in order to enter the total on the appropriate income tax form.

Part B: Nonrefundable Credit (36 MRSA § 5219-R(1))

Complete Part B only for certain credit carryforward amounts and certified qualified rehabilitation expenses incurred prior to 2008 with respect to a certified historic structure placed in service in Maine during the tax year beginning in 2009. Certified qualified rehabilitation expenditures incurred after 2007 may qualify for the refundable credit under Part A.

Line 1. Enter on this line certified qualified rehabilitation expenditures incurred prior to 2008 with respect to a certified historic structure placed in service in Maine during the tax year beginning in 2009. Box A must be checked in order to qualify for the nonrefundable credit. Enter the portion of the credit from federal Form 3468, line 10j and/or line 10m that relates to the Maine certified qualified rehabilitation expenditures.

Line 2. Enter the amount carried forward to the tax year for federal purposes that relates to a certified historic structure located in Maine. In order to claim a carryforward amount, the structure must have been placed in service prior to 2008 and must have qualified for the credit under 36 MRSA § 5219-R(1).

Part C: Maine Recapture of Credit for Rehabilitation of Historic Properties

The credit for rehabilitation of historic properties is subject to the same recapture provisions as apply to a credit received under IRC § 47. Follow the instructions for line 1 to calculate the amount of the Maine recapture. This recapture requirement is in addition to the recapture provisions administered by the Maine State Housing Authority under 30-A MRSA § 4722(1)(DD) related to affordable housing projects.